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# Office of Utilities Regulation

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Consumer and Public Affairs Department  
Quarterly Performance Report

## Quarterly Performance Report January – March 2014

Publication Date: August 29, 2014



36 Trafalgar Road, Kingston 10

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## **The Role of the OUR**

The Office of Utilities Regulation Act of 1995 established the Office of Utilities Regulation (**the Office/OUR**) as a body corporate. Under the Act, the OUR is charged with the responsibility of regulating the provision of utility services in the following sectors:

- Electricity
- Telecommunications
- Water & Sewerage
- Public Transportation by road, rail and ferry

## **The OUR's Objectives**

- To ensure that consumers of utility services enjoy an acceptable quality of service at reasonable cost;
- To establish and maintain transparent, consistent and objective rules for the regulation of utility service providers;
- To promote the long-term efficient provision of utility services for national development consistent with Government policy;
- To provide an avenue of appeal for consumers who have grievances with the utility service providers;
- To work with other related agencies in the promotion of a sustainable environment; and,
- To act independently and impartially.

## **The Consumer and Public Affairs Department (CPA)**

The CPA department of the OUR is comprised of the Consumer Affairs Unit, the Public Affairs Unit and the OUR's Information Centre (OURIC). This Department also supports the work of the Consumer Advisory Committee on Utilities (CACU) which is an independent advocacy group, the operations of which are facilitated by the OUR.

### **The Consumer Affairs Unit**

The Consumer Affairs Unit (CAU) acts as the main interface between the OUR and the public on a daily basis. The unit is responsible for the provision of policy recommendations to the Office on consumer related issues. The unit develops, monitors and modifies the Guaranteed Standards developed for the National Water Commission and the Jamaica Public Service Company Limited. It also has direct responsibility for the hearing, investigation and resolution of consumer appeals against utility companies.

### **The Public Affairs Unit**

The Public Affairs Unit has primary responsibility for keeping the public informed about the role and functions of the OUR as well as to engender and maintain a positive corporate image. The Unit is also responsible for: managing media relations; managing the content on the OUR's website; the preparation of advertisements, press releases and public notices; and the production of the *Inside the OUR* radio and print features.

### **OURIC**

OURIC is the information hub of the OUR. It houses a host of information relating to the utility regulatory environment which includes OUR's publications such as Consultative Documents and Determination Notices. The OUR's obligations under the Access to Information Act are discharged through the Information Centre.

Requests for additional details or any comments regarding this document should be directed to:

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## List of Acronyms

Can Cara	-	CanCara Development Limited (water & sewerage provider)
CPA	-	Consumer and Public Affairs Department (OUR)
CAU	-	Consumer Affairs Unit (OUR)
DEML	-	Dynamic Environmental Management Limited (water and sewerage provider)
Decal	-	Decal Wireless Ltd. (telecommunications provider)
Digi	-	Digicel
Flow	-	Columbus Communications Jamaica Ltd. (telecommunication service provider)
JPS	-	Jamaica Public Service Company Ltd. (electricity provider)
KMR	-	Kingston Metropolitan Region (Kingston, St. Andrew & St. Catherine)
NWC	-	National Water Commission (water & sewerage provider)
OUR	-	Office of Utilities Regulation
OURIC	-	Office of Utilities Regulation Information Centre

## **Executive Summary**

During the period January to March 2014, the Consumer and Public Affairs Unit (CAU) received a total 541 contacts from customers of utility service providers; representing a 4% reduction in the number of contacts received when compared with the preceding quarter.

The main reasons for utility customer contact continue to be billing related, which represented fifty-eight percent (58%) of total contacts received. The number of billing related contacts received represents a nine percentage (9%) point increase compared with the preceding quarter. The other reasons for contact to the CAU included: interruption of service, poor quality of service, and damage to equipment and property.

The reporting period also saw the unit commence its review of the quality of service standards for the JPS and DEML, in preparation for a tariff/rate submission from both service providers. A meeting was held with the JPS to discuss possible changes being contemplated to the Guaranteed Standards scheme.

In keeping with their Licence provisions, JPS is allowed to submit its application for a rate review every five years while DEML is allowed to submit its application every two years.

## **Quarterly Report Details**

### **Distribution of Contacts**

The distribution of contacts received specific to each service provider is as follows:

- Jamaica Public Service Company Ltd. (JPS) – forty-six percent (46%)
- National Water Commission (NWC) – thirty-six percent (36%)
- Digicel – five percent (5%)

- LIME – ten per cent (10%)
- FLOW, small telecommunications provider Decal Wireless and the small water provider Dynamic Environmental Management Ltd. (DEML) – three percent (3%)

The above percentages of the number of contacts received for the respective service providers indicate no significant change when compared with the preceding quarter.

## **Utilities Responsiveness to Appeals Correspondence**

### **Acknowledgements**

Of the twenty-five (25) new appeals accepted, twenty-three (23) case letters and emails were submitted to the utilities. Fifteen (15) were submitted to JPS and eight (8) to the NWC. Both utilities were negligent in acknowledging receipt of our correspondence as only thirteen percent (13%) of the submissions to JPS were acknowledged while no acknowledgement was received from the NWC.

### **Responses to Case Letters**

The CAU received eighteen (18) responses from the utilities to case letters or emails that related to the appeals received during the quarter. Of these responses, thirteen (13) were received from JPS and five (5) from the NWC.

Eighty-one percent (81%) of the responses from JPS were received within the established thirty (30) day standard, while none of the NWC's responses were within this standard.

### **Service Level Agreements**

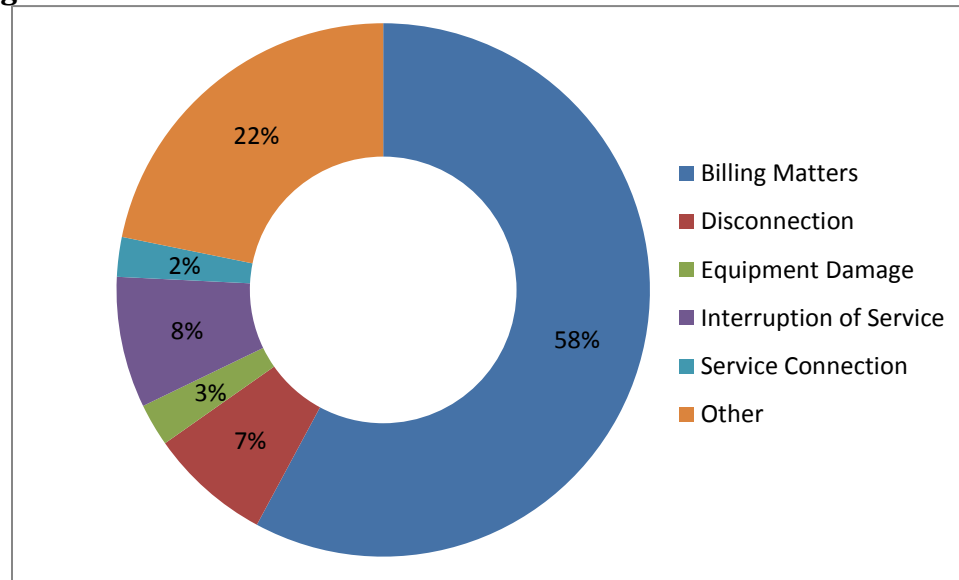
As was indicated in the last quarter's report, the OUR commenced discussions with the JPS and NWC towards establishing Service Level Agreements (SLAs) in an effort to formalize the arrangements relating to Appeals process activities and timelines. These discussions progressed during the reporting quarter with a completion and signing deadline of June 30, 2014.

It is anticipated that with the signing of the SLA all parties will be more responsive to meeting the agreed timelines, which includes acknowledgement of, and response to, Case Letters by the providers. The CAU will also be required to adhere to the established timelines in taking the actions necessary to complete its review of Appeals.

## Main Customer Concerns

Figure 1 shows the predominant reasons for contacts to the CAU: Billing, Service Interruption, Disconnection, Equipment Damage and Service Connection. Details relating to these customer concerns are discussed below.

**Figure 1: Main Customer Concerns**



### Billing

Issues relating to billing continued to be the main cause for contacts, representing fifty-eight percent (58) or three hundred and thirteen (313).

In relation to JPS, billing matters accounted for sixty-one percent (61%) of the total contacts and these included adjustments that were applied to customers' accounts, high consumption charges, retroactive billings, disputed charges – which includes the applicability of the late payment fee – and estimated billing.

As a means of highlighting the concerns that customers have raised regarding the late payment fee, a position paper is being drafted for the Office's attention. This paper will provide details of the customers' comments as well as propose recommendations.

For the NWC, billing related concerns represented sixty-six percent (66%) of the total contacts. These included high consumption charges, adjustments that were applied to customers' accounts, disputed charges and estimated billing.



In relation to the telecommunications providers - Digicel, Flow and LIME - billing related contacts were twenty-seven percent (27%), twenty-five percent (25%) and forty-three percent (43%) respectively. These customers generally disputed charges to their accounts.

### **Service Interruption**

Contacts relating to interruption of service represented eight percent (8%) of total contacts received and represented a four percentage point reduction compared to the previous quarter. Of the 8%, JPS accounted for four percent (4%); NWC, two percent (2%) and telecommunications provider LIME, two percent (2%).

### **Disconnection**

Disconnections accounted for seven percent (7%) of total contacts received, representing a two percentage point increase. JPS contacts accounted for five percent (5%) of the disconnection related issues while the NWC and LIME accounted for one percent each.

### **Equipment Damage**

Issues relating to equipment damage accounted for three percent (3%), representing six percent (6%) of contacts specific to the services provided by JPS.

### **Service Connection**

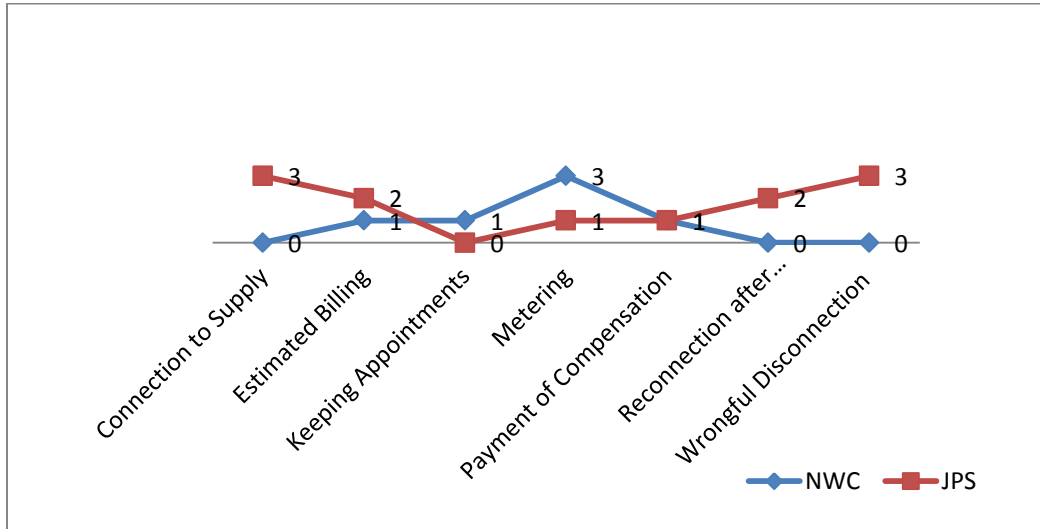
Service connection issues represented two percent (2%) of total contacts to the CAU. Both JPS and NWC accounted for an equal one percent (1%) of contacts related to service connection.

### **Guaranteed Standards**

The number of contacts received by the CAU in relation to breaches of the Guaranteed Standards amounted to twelve (12) for the JPS and six (6) for the NWC, as shown in Figure 2. For JPS, contacts in relation to perceived Guaranteed Standards breaches included *Connection to Supply, Estimated Billing, Reconnection after Payment of Overdue Amount* and *Wrongful Disconnection*.

In the case of the NWC, the areas complained about related to: *Estimated Billing, Keeping Appointments, Meter Installation, Payment of Compensation* and *Repair and Replacement of Faulty Meter*.

**Figure 2: Guaranteed Standards Contact**



**Utility’s Performance on Guaranteed Standards**

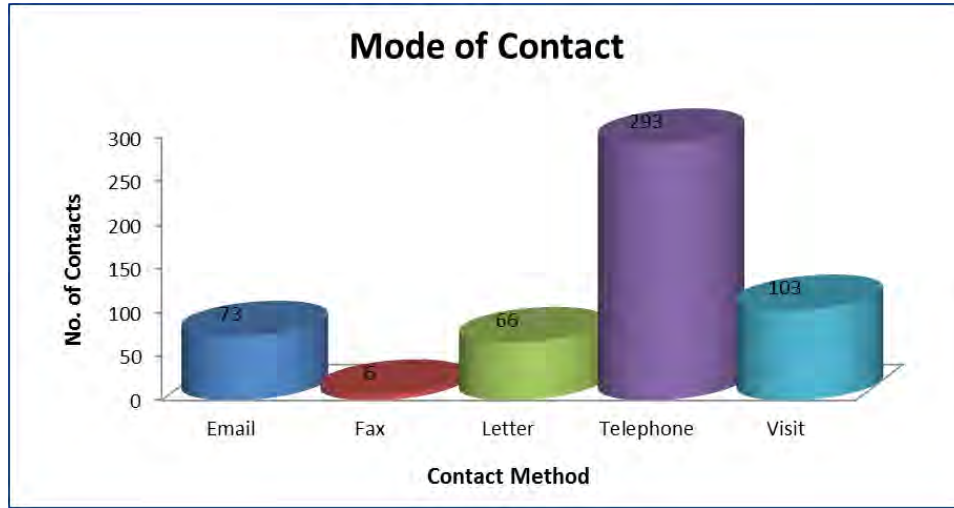
JPS’ report regarding its performance under the Guaranteed Standards scheme showed total of 9,288 breaches, with a potential pay-out of approximately \$37.6 million. Actual payments amounted to \$384,778 of which sixty-two (62%) was by way of automatic compensation.

NWC’s report indicates that a total of 860 breaches of the Guaranteed Standards were committed, which had a potential compensation of approximately \$2.4 million. Actual pay-out for the period amounted to approximately \$698,000, eighty-five (85%) of which was as a result of the compensation being automatically applied to the customers’ account.

**Mode of Contact**

As is shown in Figure 3, the telephone continues to be the method most frequently used by consumers to make contact with the OUR. Of the five hundred and forty-one (541) contacts received, fifty-four (54%) were received by telephone. Emails, letters and visits accounted for fourteen percent (14%), twelve percent (12%) and nineteen percent (19%) respectively. The remaining one percent (1%) of contacts was received through fax and social media channels.

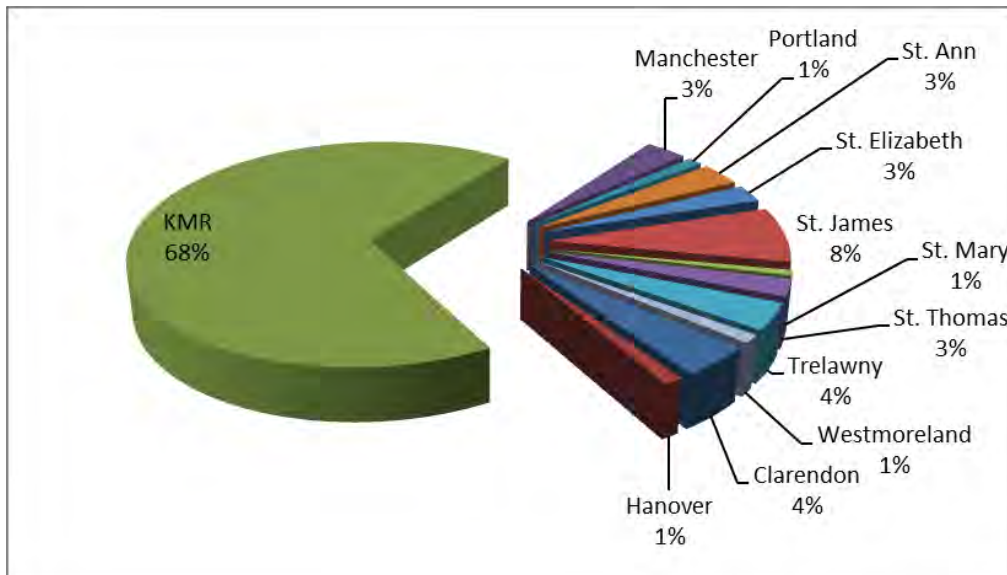
**Figure 3: Method of Contact**



### Geographical Distribution of Contacts

Kingston continued to account for the highest number of total contacts at sixty-eight percent (68%), as depicted in Figure 4. St. James accounted for second highest number of contacts at eight percent (8%) while Clarendon and Trelawny each accounted for three percent (4%) of total contacts. The remaining parishes each had a share of three percent (3%) or less.

**Figure 4: Geographic Distribution of Contacts**



### **Closures of Appeals <sup>1</sup>**

Forty-two (42) appeals were resolved and closed and of this, thirty-nine (39) were carried forward from previous periods while three (3) represented new appeals received during the period.

### **Outstanding Appeals<sup>2</sup>**

One hundred and eight (108) appeals remain outstanding at the end of the review period, which were carried forward from previous periods. Of these outstanding appeals, forty-six percent (46%) and thirty-five percent (35%) represent billing complaints from JPS and NWC customers, respectively. Matters relating to alleged damage to JPS customers' equipment represent nine percent (9%) of the outstanding appeals; while the remaining ten percent (10%) account for other appeal categories.

### **Credits/Compensation**

Resulting from the investigation of appeals, an amount of \$5,462,807.53 was secured for utility customers. Of this amount, ninety-six percent (97%) and three percent (3%) were applied as credits or other compensation to JPS and NWC customers, respectively.

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<sup>1</sup> Breakdown of Appeals Closures can be seen in Table 3

<sup>2</sup> Breakdown of Outstanding Appeals can be seen in Table 4

## Tables

**Table 1: Contact Activity Summary (All Utilities) January – March 2014**

	Description	JPS	NWC	LIME Landline	LIME Mobile	LIME Internet	DIGI	Small Telecoms Provider	Small Water Providers	FLOW	Other/ Not Utility Provider Related	TOTAL
<b>A</b>	<b>Contacts for the Quarter:</b>											
(i)	New Appeals	17	8	0	0	0	0	0	0	0	0	25
(ii)	New Appeals – Pending Information	4	4	0	0	0	0	0	0	0	0	8
(iii)	New Complaints	11	7	5	0	0	4	0	0	0	0	27
(iv)	New Enquires	26	19	1	0	0	0	0	0	1	2	49
(v)	New Opinions	4	3	0	0	0	5	0	0	2	0	14
(vi)	New Referrals	185	155	48			17	1	1	5	6	418
	<b>Total Contacts</b>	<b>247</b>	<b>196</b>	<b>54</b>	<b>0</b>	<b>0</b>	<b>26</b>	<b>1</b>	<b>1</b>	<b>8</b>	<b>8</b>	<b>541</b>
<b>B</b>	<b>Total Appeals from Previous Periods</b>	<b>101</b>	<b>48</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>152</b>
<b>C</b>	<b>Closure/Resolution of Appeals:</b>											
(i)	Mutually Resolved/Compromise	8	2	0	0	0	1	0	0	0	0	11
(ii)	Withdrawn by Customer	0	1	0	0	0	0	0	0	0	0	1
(iii)	Insufficient Information	2	0	0	0	0	0	0	0	0	0	2
(iv)	Resolved in favour of Customer	12	0	1	0	0	0	0	0	0	0	13
(v)	Resolved in Favour of Utility	13	2	0	0	0	0	0	0		0	15
	<b>Total Closures</b>	<b>35</b>	<b>5</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>42</b>
<b>C</b>	<b>Outstanding Appeals with the OUR:</b>											
(i)	Awaiting Final Letters to Customers	12	3	0	0	0	0	0	0	0	0	15
(ii)	Undergoing Analysis/Determination	37	28	0	0	0	0	0	0	0	0	65
	<b>Total Outstanding Appeals with the OUR</b>	<b>49</b>	<b>31</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>80</b>
<b>D</b>	<b>Outstanding Appeals with Utilities (Awaiting responses)</b>	<b>18</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>28</b>
	<b>Total Outstanding Appeals</b>	<b>67</b>	<b>41</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>108</b>

**Table 2: Distribution of Contacts by Utilities**

Complaint Category	Service Providers								Totals
	JPS	NWC	Digicel	Flow	LIME	Decal Wireless	Dynamic Environmental Management Ltd.	Other/ Not Utility Related	
Billing Matters	152	128	7	2	23	0	1	0	313
Broken Main		2				0	0	0	2
Customer Service Practice			2		2	0	0	0	4
Damaged Meter		1				0	0	0	1
Defective Streetlight						0	0	0	0
Disconnection	26	8	1		5	0	0	0	40
Equipment Damage	14					0	0	0	14
Health & Safety	7					0	0	0	7
Illegal Connection	7					0	0	0	7
Interruption of Service	19	11	1	1	11	0	0	0	43
Irregular Supply		8				0	0	0	8
Leak at Meter		3				0	0	0	3
Metering	1	2				0	0	0	3
Meter Installation		2				0	0	0	2
Other	5	18	12	4	5	0	0	8	52
Payment Arrangement		6				0	0	0	6
Payment of Compensation	1	1				0	0	0	2
Phone card			1		3	0	0	0	4
Poor Quality of Service			2	1	2	0	0	0	5
Property Damage	1	1				0	0	0	2
Reconnection	7				2	1	0	0	10
Service Connection	8	4			1	0	0	0	13
<b>Total</b>	<b>248</b>	<b>195</b>	<b>26</b>	<b>8</b>	<b>54</b>	<b>1</b>	<b>1</b>	<b>8</b>	<b>541</b>

**Table 3: Distribution of Appeals by Utilities (Closed)**

Complaint Category	Service Provider				Totals
	JPS	NWC	Digicel	LIME	
Billing Matters	22	4			26
Damaged Meter	1	0			1
Disconnection	3	1		1	5
Equipment Damage	7	0			7
Other	0	0	1		1
Poor Quality of Service	1	0			1
Property Damage	1	0			1
<b>Total</b>	<b>35</b>	<b>5</b>	<b>1</b>	<b>1</b>	<b>42</b>

**Table 4: Distribution of Appeals (Outstanding)**

Complaint Category	Service Providers		Totals
	JPS	NWC	
Billing Matters	50	38	88
Disconnection	1	1	2
Equipment Damage	10	0	10
Illegal Connection	2	0	2
Irregular Supply	1	0	1
Leak at Meter		1	1
Metering	1	0	1
Meter Installation		1	1
Property Damage	2	0	2
<b>Total</b>	<b>67</b>	<b>41</b>	<b>108</b>

**CAU's Performance on Service Standards (Appeals)**

Activity	Service Standards	% Compliance	Comment
Acknowledgement of Appeals	Within 2 business days of receipt of customer's correspondence	79%	Total New Appeals 24
Case Letters/ Other Utility Contact	Within 5 business days of acknowledging customer's correspondence	71%	Total requiring Case Letter/ Other Contact with utility 23
Correspondence Copied to Customer	Customer is to be copied on all correspondence submitted to the utilities pertaining to their complaint	100%	
Final Response	Within 18 business days of receipt of all necessary information from relevant parties; where no further information requests was needed	33%	Total responses received from utilities to Case Letters submitted during the review period 9

## Appendix

### **DEFINITION OF TERMS USED IN DOCUMENTING CUSTOMER CONTACTS**

- Appeal: Any contact in which the utility company has completed an investigation into a customer's complaint, the customer remains dissatisfied with the outcome and writes to the OUR asking for an independent investigation of the matter.
- Complaint: Any contact expressing dissatisfaction with the handling of a complaint by the utility company and to which the OUR takes steps to resolve without conducting a formal investigation.
- Customer Contact: Any contact made to the OUR to register an appeal, inquiry, opinion, etc. Contact can be made through the telephone, post, electronic channels (emails, website, and Facebook page) and visits.
- Enquiry: Any contact requiring verification/confirmation of information relating to the OUR, a utility service, policy and/or practice, etc.
- Opinion: Any contact expressing a view about the actions, practice or terms of service, etc. of a utility company or the OUR.
- Referral: Any contact advised by the OUR to consult the relevant utility company because the complainant had not initially utilized or exhausted the complaint procedure within the relevant utility company.